



FRANK WHITE, JR.
Jackson County Executive

November 15, 2019

Members of the Jackson County Legislature
Jackson County Courthouse
415 East 12th Street
Kansas City, Missouri 64106

RECEIVED

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MARY JO SPINO
COUNTY CLERK

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9:00
am

Honorable Members of the County Legislature:

I offer for your approval my proposed balanced budget for the fiscal year beginning on January 1, 2020. I am recommending total appropriations in the amount of \$363,133,000 in accordance with Article III, Section 12 of the Jackson County Charter and applicable state statutes.

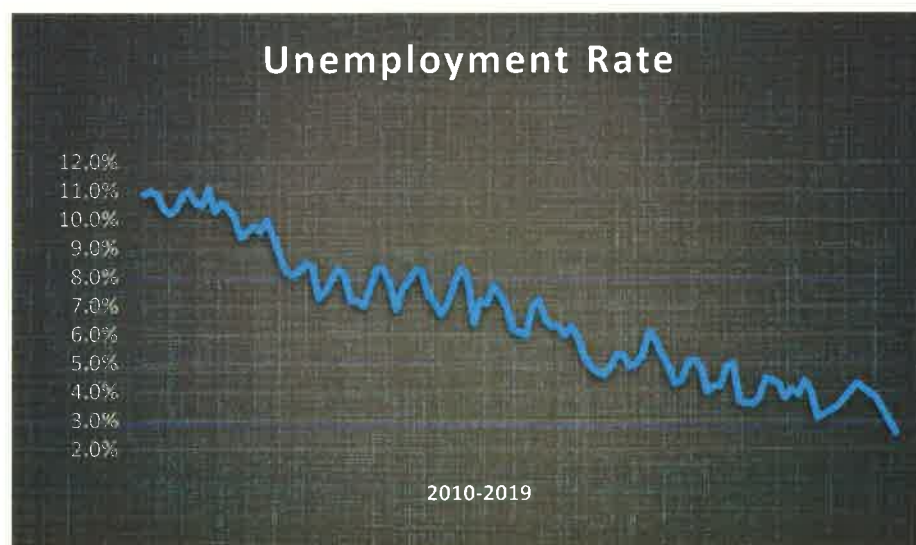
As detailed in the sections below, this is a prosperous and exciting time in Jackson County, which could not be accomplished without the support of the Legislature. The leadership of the chair and diligence of each member has allowed us to build a strong foundation for the County as we remain focused on our core responsibilities.

OUR ECONOMY IS STRONG AND GROWING

Last year at this time, I highlighted Jackson County's strong economy and relatively low unemployment rate. I am pleased to say that in the last 12 months, our economy has continued

to grow and the number of people unable to find work has decreased.

Notably, Jackson County's most recent



unemployment rate of 2.6% is the lowest number on record.ⁱ

“THE FINANCIAL POSITION OF THE COUNTY IS ROBUST”ⁱⁱ

Jackson County has once again received a strong financial report from the credit rating agency, Moody’s Investor Services. Moody’s report stated that the County has earned its “very strong”



credit position due to our “robust financial position, extensive tax base and healthy wealth and income profile.” Specifically, the report notes that within just the last three years, the County’s net direct debt has decreased by nearly

\$50,000,000 while our available fund balance has “grown markedly.”

INVESTING IN OUR ASSOCIATES

You do not have to look very hard to find examples of governmental pension plans being underfunded and poorly managed. Unfortunately, it is often too easy and too tempting for elected officials to raid employee pension plans to pay for more exciting and attention-grabbing projects or programs. However, we have an obligation to our Associates to ensure that what

we have promised and what they have earned, is there for them when they need it. The year I was appointed Executive by my colleagues on the County Legislature, the County had over \$73,269,830 in net pension liability. In just three years, we have aggressively attacked this issue and have been able to decrease the County's liability by nearly \$30,000,000 and now have our highest funded ratio in at least 10 years.



HONEST DAY'S WORK FOR AN HONEST DAY'S PAY

The greatest and most important assets of Jackson County are our Associates. There has not been a single day since I was appointed County Executive that I have not been in awe of the work done by the men and women that serve the people of Jackson County. It is important that we not only say that we have their backs, but we must also show it through our actions.

Regrettably, when I first took office, full-time County Associates could earn as little as \$7.76 per hour. Quite simply, we were paying some members of our team less than what it costs to provide for themselves, let alone a family. In 2017, we were able to increase Associates minimum full-time wage to \$10 per hour, but more work remained.

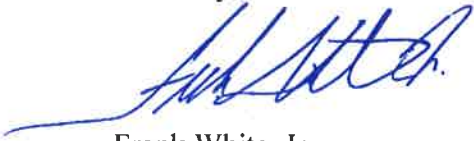
I am excited to announce that this year's recommended budget includes the funds necessary to fully implement the county-wide compensation study that is currently nearing completion. The plan derived from this study will not only ensure that Associates are compensated at a market rate, but it will also ensure that no Associate is paid less than a living wage for the next three years.ⁱⁱⁱ The chart below shows that the County's minimum and living wage will be \$12.50 per hour in 2020, \$13.75 per hour in 2021 and \$15.00 per hour in 2022.

BUDGET SUMMARY

Fund Number	Fund Title	2018 Adopted Budget	2019 Adopted Budget	2020 Recommended Budget
APPROPRIATED:				
GENERAL:				
001	General	\$ 95,325,707	153,169,525	\$ 140,057,077
013	County Improvement	-	39,000,000	6,493,798
		<u>95,325,707</u>	<u>192,169,525</u>	<u>146,550,875</u>
SPECIAL REVENUE:				
002	Health	27,234,912	26,009,576	26,258,235
003	Park	16,321,977	15,574,941	16,526,989
004	Special Road and Bridge	28,649,260	15,273,501	15,889,344
005	Sewer	124,512	151,507	125,699
007	Convention and Sports Complex	6,861,701	6,861,140	6,944,078
008	Anti-Crime Sales Tax	27,066,605	28,054,677	29,966,534
028	Law Enforcement Training	44,442	19,010	1,333
031	911 System	2,352,533	2,401,577	3,066,025
036	Inmate Security	146,000	146,000	146,000
039	Emergency Service & Public Safety	-	-	405,000
041	Domestic Abuse	219,092	152,601	168,461
042	Recorder's Technology	172,229	122,919	122,919
043	Homeless Assistance	439,306	452,231	314,000
044	Recorders Fees	336,223	260,753	280,371
045	Assessment	7,924,791	6,971,882	10,496,705
049	Collector's Fee	921,329	-	1,782,700
400	County Urban Road System	329,244	-	22,153
		<u>119,144,156</u>	<u>102,452,315</u>	<u>112,516,546</u>
CAPITAL PROJECTS:				
014	Special Obligation	321,266	77,479	-
015	Public Building Corporation	827,222	-	-
019	Sports Complex Sales Tax	25,800,000	25,800,000	25,674,688
		<u>26,948,488</u>	<u>25,877,479</u>	<u>25,674,688</u>
DEBT SERVICE:				
067	Sports Complex/Park	3,377,000	3,377,000	2,202,050
069	Public Building Corporation	510,250	509,750	2,942,783
070	Obligations to U.S. Government	642,693	642,694	642,694
072	Sports Complex Sales Tax	49,234,250	50,187,750	52,868,250
073	Special Obligation Bond Debt Ser	12,330,491	12,330,498	12,734,443
		<u>66,094,684</u>	<u>67,047,692</u>	<u>71,390,220</u>
ENTERPRISE:				
300	Park Enterprise	6,392,465	6,090,741	6,515,554
Total - Appropriated Funds		<u>313,905,500</u>	<u>393,637,752</u>	<u>362,647,883</u>
NON-APPROPRIATED:				
029	Prosec Attny Bad Check Collection	136,893	10,141	10,272
030	Delinquent Sales Tax	124,240	271,596	275,369
047	Federal Forfeiture	-	-	-
048	Sheriff Revolving	208,519	208,320	199,476
Total - Non-Appropriated Funds		<u>469,652</u>	<u>490,057</u>	<u>485,117</u>
Total All Funds		<u>\$ 314,375,151</u>	<u>\$ 394,127,809</u>	<u>\$ 363,133,000</u>

The time is now to build on the strong foundation we have built. I am encouraged by the County's progress and am committed to working with each of you to ensure we continue to move Jackson County forward.

Sincerely,

A handwritten signature in blue ink, appearing to read "Frank White, Jr.", with a long horizontal flourish extending to the left.

Frank White, Jr.
County Executive

ⁱ Source: United States Bureau of Labor Statistics. Records date to January 1, 1990.

ⁱⁱ Annual Comment on Jackson County, Moody's Investor Services. September 23, 2019.

ⁱⁱⁱ While there is no universally accepted definition of a "living wage," the County has used the City of Kansas City's Living Wage Ordinance as the measuring stick for a living wage.
<https://www.kcmo.gov/programs-initiatives/living-wage>.